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MEDIA RELEASE

Mineral Resource Estimate - Talang Santo Prospect

- Maiden Mineral Resource Estimate at Talang Santo totals 879,000 tonnes at 5.89 g/t gold and 14.63 g/t Silver for a contained 166,400oz of gold and 413,000 oz silver.
- The Talang Santo ore system remains open along strike and at depth and 6 (six) rigs continue to drill test the system.
- The Total Mineral Resource for the Way Linggo Gold Project (Kingsrose 85%) increases to 1,589,000 tonnes at 7.89g/t Gold and 68.66 g/t Silver containing 396,430 ounces of gold and 3,531,800 ounces of silver.

The Board of Kingsrose Mining Limited (ASX:KRM) is pleased to advise that drilling at its newly discovered Talang Santo Prospect (KRM 85%) has advanced enough to enable a maiden Mineral Resource Estimate to be completed:

Classification	Tonnes	Au g/t	Ag g/t	Au. Eq. g/t	Au. Eq. Oz
Measured	0	0	0	0	0
Indicated	0	0	0	0	0
Inferred	879,000	5.89	14.63	6.22	175,735
Total	879,000	5.89	14.63	6.22	175,735

Table 1: Talang Santo reportable resource figure. Gold equivalent (Au. Eq.) assumes 1 g/t Au is equivalent to 45 g/t Ag. Classified Mineral Resource is based on 2.5 g/t Au. Eq. cut-off grade. Note that small discrepancies have occurred due to rounding.

Notes

- The figures quoted represent the geological resource. No "Modifying Factors" have been applied as per the 2004 edition of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code").
- For the Talang Santo resource estimation, the geology model was formed via the incorporation of data from geological logging of drillhole data. The geology model was constructed by qualified PTNM geologists.
- Estimation took the form of an inverse distanced cubed interpolation to limit the effect of localised high-grade intersections.
- Gold equivalent values (Au. Eq.) assume 1 g/t Au is equivalent to 45 g/t Ag. The ratios used in gold equivalent calculations have evolved based on current (06-09-11) metal pricing and do not include any consideration of metallurgical recovery.

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- The Classified Mineral Resource is reported above a 2.5 g/t Au. Eq. cut-off grade.
- A top-cut of 30.00g/t Au and 35.00g/t Ag was used during estimation.
- At this stage the level of data within the model is relatively sparse. Given the dimensions of the three veins, and the nature of the geology in the Talang Santo area it is thought appropriate to classify the entire resource as Inferred at this time pending closer spaced drilling and development sampling.
- Note that small discrepancies have occurred due to rounding.

Kingsrose has previously advised an update of its Mineral Resource Estimate as at 30 June 2011 (refer ASX September 2011 – Quarterlies Activity Report) and now incorporates the Talang Santo estimate into this estimate. A summary table of the consolidated Mineral Resource estimate is tabulated:

Way Linggo Project (KRM 85%) – Total Mineral Resource Estimate Summary

<i>JORC Category</i>	<i>Vein ID</i>	<i>Tonnage</i>	<i>Gold Grade</i>	<i>Silver Grade</i>	<i>Gold Ounces</i>	<i>Silver Ounces</i>
<i>Measured</i>	<i>Way Linggo</i>	467,400	12.44	166.8	186,940	2,506,500
<i>Indicated</i>	<i>Way Linggo</i>	182,800	6.09	84.5	35,790	496,600
<i>Inferred</i>	<i>Way Linggo</i>	60,200	3.77	38.1	7,300	73,700
	<i>Way Linggo Sub total</i>	710,000	10.24	135.6	230,030	3,076,800
<i>Inferred</i>	<i>Talang Santo</i>	879,000	5.89	14.6	166,400	413,000
GRAND TOTAL		1,589,000	7.89	68.66	396,430	3,489,800

Kingsrose Managing Director, Chris Start said;

“ This is a great result for Kingsrose. Talang Santo is a new virgin discovery and will become a second mine for the Company. To reach this point only nine months after the first drilling at the prospect is a great achievement. I am also pleased to advise that in keeping with the group’s ability to develop small mines, an exploration adit has been established and the cross-cut is expected to hit the upper levels of the ore in about a week. The civils and headframe for an underlay shaft is now also established and shaft sinking has commenced. We expect the trial mining will rapidly progress to a second mining centre feeding ore to our Way Linggo plant approximately 7km due south.”



Talang Santo – Trial Mine adit

Due to complications with the effective drilling of the epithermal veins that results from their fractured nature and association with various stages of alteration and clays, Kingsrose believes the most effective way to validate results and confirm grades is by trial mining. Consequently, in rapid time Kingsrose has established an adit into the upper parts of the outcropping vein system. A cross-cut is expected to reach the orebody in about a week and commence ore driving the upper part of the ore system.

In addition, the civils and a headframe have been established and the sinking of a shaft to access the deeper parts of the orebody has commenced.

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Competent Person Statement

The information in this report that relates to exploration results, mineral resources and ore reserves is based on information compiled by Mr. Peter G. Cook, BSc Applied Geol, MSc (Min Econ), who is a Member of the Australasian Institute of Mining and Metallurgy, and a Director of and a consultant to Kingsrose Mining Limited. Mr. Cook has sufficient experience, which is relevant to the styles of mineralisation, types of deposits and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code"). Mr. Cook consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.



Appendix 1

Resource Assessment Criteria (after Table 1A – JORC Code 2004)

Talang Santo Prospect – Way Linggo Project – Kingsrose Mining Limited (85%)

Sampling Method	<p>Sampling methodology and analytical procedures for assay results of outcrops done are based on acceptable international standard practice. Bulk of the results obtained and geological information gathered from detailed mapping in conjunction with extensive chip and channel sampling defined a very promising zone of quartz mineralization in the northern area warrant for drilling program.</p> <p>Channel Sampling was completed with channels approximately 4inches (10cm) wide by 3 inches (7.5cm) deep using hammer and chisel and oriented horizontally or perpendicular to the strike of the vein outcrops. Samples were collected with sample lengths chosen based on the varying degrees (or intensity) of silicifications and alterations. A maximum of 3 kilos were taken as representative of the rock from each channels. Thickness of the outcrop was measured, described and before sending to assay laboratory.</p> <p>Chip Sampling of rock floats were taken when no outcrops were found in the vicinity.</p>
Drilling Techniques	<p>Diamond drilling from surface was the technique adopted in all holes.</p> <p>Scout diamond drilling to verify the existence of sub-surface grade of outcrops and the strike of the gold-bearing mineralization commenced last January 28, 2011.</p> <p>At the end of October, a total of 33 holes (for 13414.2m) were completed.</p> <p>Five (5) holes were in progress at the time of estimation and are excluded from the estimate.</p> <p>Drilling is carried out by an independent drilling contractor, PT Promincon Indonesia using wire line core retrieval. PQ size drill bits (123 mm) were the initial collared hole to recover PQ3 size core (83.0 mm) until encountering competent/hard ground rock formation and subsequently reduced to HQ with core size of 61 mm. NQ size (45.0mm) is required depending on depth of drilling targets and bad ground conditions. Most of the core size logged by the Geologist is HQ size. Core recovery is 90%. Core loss is minimal.</p> <p>Geological mapping and drilling has encountered low-sulphidation epithermal quartz veins with strongly anomalous gold and silver of 500 meters in strike so far.</p>
Core Preparation, Sampling and Logging	<p>The retrieved core from drilling was then placed on core trays.</p> <p>Measures are taken during drilling by using drilling fluids and operating with short runs to maximise core recovery. Core recoveries are noted, assessed and particular care is taken to note the recovery in mineralised zones and where clays (advanced argillic alteration) often occur inter-mixed with broken epithermal quartz veins. These core trays containing the core were properly secured by strapping with cover and shifted to the Core shed for core logging. Core logging Geologist assisted by core shed assistant logged and marked the intervals for sampling. Hard quartz core are marked and drawn a line at the middle of the core for sawing. Samples halved by diamond saw will be put into the sample bag, numbered and sent to the Company's contract Assay Laboratory while the other half remains and returned to the core tray for future refer</p> <p>For gouge, soft and friable core, knife splitter split the core for sampling while broken core were sampled separating the broken core by hand then scoop the other half for sampling.</p> <p>Cores are logged in detail for lithology, structure, RQD and are photographed to assist with Mineral Resource and future mining considerations.</p> <p>Sample intervals are variable based upon geology and structure and extend either side of mineralised zones.</p>
Assaying & Verification	<p>Assaying of drill core samples, chip and channel sampling were done at the on-site laboratory operated on contract by PT. Geoservices Geo-assay Laboratory with ISO/IEC 17025:2005 accreditation for mineral analysis. This is to ensure that analytical procedures, recording and reporting are maintained and accepted at industry standard.</p> <p>Sample preparation and assaying is carried out by the contract assay laboratory on site using Aqua Regia Digestion. Samples are dried at 105°C for about 12 to 24 hours, crushed to 4mm by jaw crusher, then re-crushed using LM5 machine to pulverize into 75 micron. Fineness were checked and passed 95%. The 30 grams sample via aqua regia digestion is assayed using fire assay with Atomic Absorption Spectrometry (AAS) finish. Results below 3.0 ppm gold were re-assayed using Di-Isobutyl Ketone and AAS finish. Check assay of duplicate sample were forwarded to PT Geoservices Geo-assay main laboratory for fire assay technique using gravimetric method and the PT Intertek Utama Services laboratory facilities for one sample every 25 samples.</p> <p>The QA/QC implemented for the exploration samples include the washing by blank/barren rock samples inserted in the preparation equipment between batches of samples to eliminate contaminations. A total of 210 blank/barren samples were inserted at the rate of 1 for every 10 samples to ensure that all samples are not contaminated.</p>

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Location of Data Points	Collaring of holes were done by hand held high precision GPS unit and checked by TGRA1203+ Total station survey, a product of Leica Instruments. All survey done was standard WGS 84 and projected using UTM Zone 48S. Down hole survey were routinely done every 50 meters using Camteq ProShot down hole camera instrument.
Data spacing and distribution	Field mapping and sampling has shown the vein to be continuous in strike and moderate to steeply dipping. This is confirmed by drill data with an approximate 50m x 50m pierce-point density in long section. Drilling has also shown vein continuity and predictability of the structure but with variable grade distribution. Sample interval compositing occurs for reporting based on grade variation and the overall vein limits.
Orientation of Data in relation to Geological structure	Drilling is predominantly at or close to right angles to the planned structure. Holes are planned to intersect the vein as close as possible to perpendicular resulting in true widths being similar to down-hole intercepts
Review/Commentary	The channel and core sampling, QA/QC standard and analytical procedures and methodologies used are considered in line with the industry practice and are of international standard practice. The sampling results from the 50 meters horizontal drill spacing/intervals and another 50 meters vertical distance from the first pierce point/intercept of the drilling program enables us to defined and confirmed the sub-surface lateral and vertical continuity of the gold-silver mineralization. It also demonstrates consistent ore grade (gold-silver values) mineralization highlighted by the strong extension towards the east and southeast of the gold deposit. The sampling results returned with significant gold values suggested for the conclusion of preliminary resource estimate. Consequently, continuous drilling activities of the lateral extension towards the east and southeast extension (Petai Kayu) of the prospect are ongoing.
Database Integrity	All geological assay and survey data is collated in a master database with significant internal and external checks of its integrity and accuracy prior to estimation. Sample data entry and assay results are validated against geology and core logging/
Geological Interp.	Geological interpretation is considered confident due to consistency and predictability of vein and assay data within the cores. Vein is effectively a consistent plane with a few minor splits and splays.
Dimensions	Vein has been traced for 500m + Vein bifurcates, splits and exhibits minor splays and sub-parallel development. Vein exhibits both epithermal textural and varying amounts of argillic alteration. Typically the more advanced the alteration, the better the grade. Some parts of the vein are strongly anomalous and the vein exhibits a higher grade core considered to represent more intense alteration and epithermal activity. Grade is variable across the vein structures. Vein extrapolated to within 10m of surface for estimation surfaces and as evidenced by outcrop mapping. Vein extrapolated approximately 100m below deepest intercepts for the purposes of defining a limit to inferred boundary. Grade of intercepts drives along strike extrapolation, i.e. no grade no resource considered to exist.
Estimation and Modelling Techniques	A wire frame model of veins was constructed using fact geological data in 3-D. A constrained block model was generated with inverse distance squared grade estimation for blocks
Moisture	Due to the incidence of clay associated with argillic alteration, mineralised zones contain a high level of inherent moisture typically 15-20%. Tonnage is however estimated using dry bulk density estimates.
Cut-off Parameters	A top-cut of 30g/t Au applied to estimation. A cut –off grade of 2.5g/t Au applied to estimation.
Mining Factors and Assumptions	It is assumed that the veins will developed using manual hand held mining methods and narrow pneumatic ore bogging methods as per the nearby and active Way Linggo mine. Hence minimum average mining width of 1.0m has been adopted.
Metallurgy	Basic cyanide extraction testing has shown no issues with cyanide extractability and performance is expected to mimick the Way Linggo ore. More detailed and representative testing is underway.
Bulk Density	Numerous dry bulk density estimates completed with an average dry bulk density of 2.35 g/cm3 adopted for the estimate.
Classification	Due to the early nature of the resource estimate and the apparent variability and grade based on the approximate 50m x 50m pierce-point pattern, a decision has been made to classify the preliminary resource estimate in Inferred Category. There does appear to be good consistency and predictability of the vein structure and consideration of upgrading the core higher-grade zone of the veins as indicated in the areas of good drill density is under consideration.